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Kentucky: the home of American whiskey p.12    Davidoff invests in the future p. 28  
Women in the spirits business p.30

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# Change is constant



**I**f there is one thing we learn in life it is that change is constant. The same learning can be applied to the spirits and tobacco category in duty free. Last year 27.6 billion nine-litre cases of alcohol were consumed worldwide, which is a surprising decrease of -1.6% from the previous year, according to the IWSR. What does this mean for a category that remains a major driver of duty free sales?

It would be unfair to discuss the spirits category without touching on the waves American whiskey is generating around the world. US whiskey sales are up 5% globally, according to the IWSR, and American whiskey brands are enjoying the revival of home-

grown bourbons and whiskies. In this issue, *Americas*, *Asia* and *Gulf-Africa Duty Free* takes readers on a trek along the bourbon trail, to touch briefly on the wealth of brown spirits that Kentucky has to offer and to see how this bourbon boom is turning up the temperature on tourism.

We also dip into the ongoing "Ginaissance" as it continues to barrel through with an 8.3% growth in 2018 vs. 2017. Has gin peaked? Where does the category grow from here? There are no signs of gin slowing down; instead it is branching into different flavors and expressions. While Whitley Neill Gin continues to put its faith on the flavor train to open the category to new gin drinkers, Martin Miller's Gin is disrupting the category with its unique proposition of a 'sipping gin'.

Tobacco, duty free's reliable comrade, remains dependable and resilient in a sometimes wavering industry. With a constant supply of new products and the arrival of travel retail's most sought after shoppers, the cigar sector looks set to grow in spite of many challenges.

Cruise ships and border shops have also been a welcoming change with the arrival of luxury shisha brand Mazaya. As this sector grows, consumers are eagerly experimenting with new flavors and Mazaya is quickly adapting to this welcome change.

If there is one take-away from this issue, remember: "It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change." - Charles Darwin.

Kindest Regards,

Jas Ryat  
Deputy Editor  
www.dutyfreemag.com

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# CATEGORY UPDATE: SPIRITS

A shake-up of the traditional spirits mix in travel retail is providing ample opportunity for brands and retailers to quench the traveling consumer's thirst for innovation, exclusivity and value in new ways

BY CLAIRE MALCOLM

**D**ata from TFWA reported an increase of 10.2% in category sales in 2018, and with the historic dominance of scotch increasingly challenged by accelerated demand for other spirits, the spirits category is leveraging its liquid appeal as the industry counts down to a new decade.

"Spirits remain resilient and sales continue to grow at an impressive pace and with brands increasing their investment in travel-exclusive products and in-store activity, we expect to see further growth in this category this year and in the near future," notes TFWA President, Alain Maingreud, who highlights gifting and souvenir as popular purchase decision drivers.

Alcoholic beverage market data and intelligence firm IWSR's long-term forecast pins a 7% growth figure on the sector by 2023, with consumers continuing to trade up to higher-quality products. It also revealed an overall decline in vodka sales volume in 2018, despite premium brands holding their own.

According to Maingreud, premiumization is a growing industry trend driven by the increase in millennial passengers with more disposable income through to the rise in the number of middle-class Chinese consumers traveling overseas.

"As a result, we are seeing changes to the traditional spirits product mix in a number of regions. For example, in Asia Pacific

– where brown spirits such as whisky have traditionally been the market leader – vodka brands have been looking to gain a stronger foothold in the market by launching super premium products to target a rise in affluent luxury spirit buyers."

MInd-set Founder & CEO, Peter Mohn, weighs in on category movement from a planning perspective, sharing data from the company's most recent Business Intelligence Service category insights report.

He says: "It's worth highlighting that while 85% of those surveyed plan their purchases, it's a fairly 'general' approach. When travelers arrive at the airport store they are still undecided as regards specific spirits purchases, and this is particularly true for Armagnac, brandy and Cognac. Around 33% of travelers only make their minds up once in-store."

Maingreud also touches on the influence of domestic market-specific customer preferences, citing gin in Europe and tequila in the US, as prime examples. "This is reflected in our industry with more passengers actively seeking out these products while traveling. Agave based spirits as a whole are growing in popularity thanks in part to high-profile endorsements, such as George Clooney's Casamigos brand launching its first mezcal product."

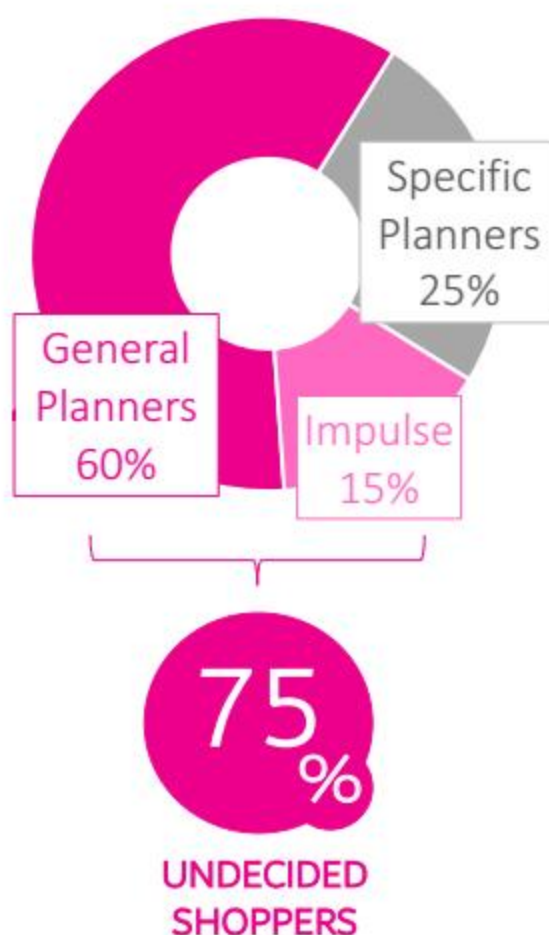


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## Spirit Shoppers in Travel Retail



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### TOP (NET) DRIVERS TO PURCHASE:

- #1 75% Value / Promotions
- #2 52% Exclusivity
- #3 52% Suitability as Gift/Souvenir
- #4 51% Experience in the store

IWSR research reinforces this, naming tequila, whisky and gin as the biggest contributors to total global spirits growth through to 2021.

The Business Intelligence Service category insights report notes significant opportunity to up traveler engagement with 83% of passengers surveyed making a point to pop into duty free and 57% making a spirits and/or tobacco purchase each time they travel.

While male leisure travelers are marginally edging out their female counterparts when it comes to spirits purchases (57%), TFWA's Maingreud believes that more can also be done by both retailers and brands to appeal to other traveler segments.

"We have seen some really inspirational examples from spirits brands in this regard over the last year. Smirnoff's 'Equalising Women' with Spotify launched on International Women's Day, with the aim of doubling the number of female headline acts at music festivals, while Absolut launched Absolut Drop this year alongside its 'A Drop of Love' campaign, celebrating both Valentine's Day and the LGBT+ community."

The twin drivers of value and promo-

tion rank right up there according to MInd-set, with 75% of surveyed travelers swayed by price and attractive offers and 45% purchasing at least one product on promotion.

"These results clearly highlight the fact that promotions, pricing and the exclusivity of duty free need particular attention. There is a clear opportunity to optimize the sophistication of gift offerings in order to increase size of shopping basket and drive conversion," remarks Anna Marchesini, Project Manager, MInd-set.

The continued appeal of the craft beverages sub-category is another area that Maingreud sees holding its own at both domestic and travel retail level. "The craft boom has been one of the spirits category's biggest success stories in recent years, and there is nothing to suggest that this trend is going away anytime soon.

"Many craft spirits brands now see the duty free and travel retail market as a great opportunity to further awareness and sales and are capitalizing on this by making their ranges more widely available to travelers. Recent examples include Sipsmith Gin, a popular British craft gin, launching a pop-up activation at Sydney Airport that offers shoppers a virtual tour

on which they could learn more about the brand."

Gin was the leading global growth category in 2018 (IWSR) and the Sipsmith activation is a great example of how creativity is supporting sales but are other white spirits, and brown labels, measuring up?

"We are starting to see other spirits adopt similar approaches in their marketing in order to resonate more closely with travellers. For example, Bacardi has recently launched a series of rum cocktail demonstrations at Schiphol Airport to encourage shoppers to make their own cocktails at home, as well as offering prizes and personalized bottles to passengers," says Maingreud.

"Gin brands have also been effective at conveying the heritage and authenticity of their products in their marketing materials to appeal to millennial shoppers, a strategy that is now being more readily adopted by other spirit brands. Aperol Spritz, for instance, launched a pop-up at Hong Kong International Airport in February where customers could interact with a digital screen to learn more about the brand's history," he concludes. ☺



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# A Kentucky hug

BY JAS RYAT in Kentucky

American whiskey and bourbon are reaping the rewards of domestic revival and global growth. See why travelers are relishing the Kentucky hug- the 'mouth feel' or warmth of a good old fashion American whiskey



Home of Buffalo Trace Bourbon, the 440-acre Buffalo Trace Distillery sits along the Kentucky River, the original buffalo migration route

**F**rom the minute you land at Louisville International Airport in Kentucky, there's no doubt you're in a bourbon state. Wall-to-wall displays of the brown spirits immerse you in the local culture and stories behind each brand. The shops showcase gondolas of the local liquid and the airport houses a massive Bourbon Academy Tasting Room on the upper level.

And rightfully so. Bourbon is revolutionizing Kentucky's tourism by welcoming over 70% of visitors from outside this East South Central state. Last year alone, Kentucky exported over US\$450 million in spirits – an export value which has tripled in the last 20 years. European countries make up nearly half of the whiskey exports coming from Kentucky.

*Americas Duty Free* visited the birthplace of bourbon to see how Kentucky plans on navigating global waters, as American whiskey demand is in full swing.

KDA, (Kentucky Distillers Association) a non-profit trade group, created the Kentucky Bourbon Trail in 1999 to give visitors the full bourbon experience and has now become one of America's fastest-growing tourism attractions with a record 1.4 million visits in 2018. Today, the Frazier Kentucky History Museum houses an exhibition that celebrates all things bourbon whiskey and is regarded as the starting point of the Kentucky Bourbon Trail.



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Old Forester Distilling Co on Whiskey Row in Louisville, KY has found its roots again to highlight its history to capture the future

First stop is Old Forester Distilling Co on Whiskey Row in Louisville, KY. The distillery, a US\$45 million facility owned by Brown-Forman, is home to America's first bourbon, originally created in 1870. In an effort to reap the rewards of current trends, the brand has refreshed its portfolio by offering The Whiskey Row Series for travel retail. The series offers Old Forester 1870 Original Batch, Old Forester 1897 Bottled in Bond and Old Forester 1920 Prohibition Style, all of which are designed to offer premium product at an achievable price point. "Old Forester found its roots again with a brand new distillery and line extensions that honor its history," shares Marshall Farrer, Senior Vice President, Managing Director, Global Travel Retail & Developed Asia Pacific at Brown-Forman. "The Whiskey Row Series really brings the consumers back to a time when whiskey had a profile that was bolder and bigger for these specific dates that we targeted."

Although Brown-Forman planned to develop Old Forester in travel retail, accessing the quantities the channel required were not up to speed. Thus, Old Forester has been more centric, with success in Europe, Germany and Australia travel retail to date.

"We are going to look to build on Old Forester as America's first bourbon as it has outstanding stories and is a great product. We've been patient in order to let it grow into itself a bit," says Farrer. Brown-Forman looks forward to the brand joining its global travel retail portfolio, along with its successful counterparts Jack Daniel's and Woodford Reserve.

### Whiskey affairs

Next stop was The Campus, otherwise known as Brown-Forman's head office, located in Louisville. The Campus has nine office buildings, one production facility and four warehouses, including two, the Garneau Building and The Forester Center which are historical landmarks in the state. The Campus is also home to Farrer's office and the ever-evolving Brown-Forman team.

Farrer attributes much of the tourism growth in Kentucky to the development of global recognition for American whiskeys. There is no better place to hear the story behind the brand like the place it originates from.

"American whiskey has been growing [market] share internationally and domestically for a number of years now. Today's consumers are very attracted to authentic stories, mixability, and also the fascinating history told through the stories," explains Farrer.

A growing number of younger, affluent travelers are visiting distilleries in Kentucky. Whiskey tourism takes place in 152 cities, 49 states, two US territories and 11 foreign countries across five continents, according to IQS Research.

Is this level of tourism sustainable? According to Farrer – absolutely. "The thing about trends is that they take the same amount of time to make as whiskey. Whiskey is an aged product and so we



Meet Old Forester's statement piece. The fully functional Old Forester still is 24 inches wide and 44 feet tall, weighing in at 4700 lbs and plays a key part in creating the spirit





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have to plan way ahead and lay down our whiskies. But when you have invested in the infrastructure that the industry has, particularly in Tennessee and Kentucky, you've got gorgeous facilities and in beautiful locations, with ageing whiskies that give a sensory experience," he explains. "They are on par with any others that you will find in the world. People are changing their travel plans to be a part of it and take advantage of it."

American whiskies and bourbons can also be more approachable for the novice whiskey drinker. The profiles are often less intimidating when compared to their Scotch or malt counterparts, as they are more distinct. The charred barrels that bourbon is aged in result in more compatible expressions like caramel and vanilla, guiding new consumers into the beginning of their affair with whiskey. Whiskies and bourbons also play well into the resurgent cocktail trend as they allow for mixability.

America has recently been in the news for threatening – and in some cases – applying significant tariffs on trade with Europe, China, Mexico and Canada. Farrer suggests that although the tariffs themselves have not had any impact on

tourism, they have diverted the firm's focus. Says Farrer: "One of the biggest challenges has been the diversion of our management's time and efforts, and I can't understate enough how much time and energy has to go into mitigating the impact or finding alternative solutions to offset the problems."

### When Woodford met Baccarat

Nestled in the rolling hillside, Bluegrass Region and home of the thoroughbreds sits Woodford Reserve in Woodford County. Following Woodford Reserve Baccarat Edition's global launch in May, it made sense to speak with the Master Distiller for Woodford Reserve, Chris Morris. Like a humble artist reflecting on his painting, he describes the inspiration behind his US\$1,500 masterpiece. "The wonderful story behind the origins of Kentucky and to honor the individuals and their contributions to our state and country, we brought together the best of Kentucky Bourbon Woodford Reserve and the best of French Cognac," explains Morris. "We created a new expression of our whiskey, and thus we take fully matured Woodford Reserve and finish it in XO Cognac casks for three years."

Originally the expression was to be named Woodford Reserve La Fayette, but changed to Woodford Reserve Baccarat Edition after the invitation was given to partner with French fine crystal brand Baccarat. Morris confirms the partnership has been a great honor as it has resulted in the production of 5,000 bottles as a duty free exclusive.



Daily tours enrich visitors from around the world in the history and creation of Woodford Reserve

Says Farrer: "The reception has been strong throughout, ever since we introduced it. It was the right item with the right execution at the right time. We have modest expectations as we are breaking through price thresholds and packaging that is very unique. The objective is to get more visibility as the brand grows with consumer affinity."



(L) Marshall Farrer, Senior Vice President, Managing Director, Global Travel Retail & Developed Asia Pacific at Brown-Forman proudly showcases Woodford Reserve Baccarat Edition with Chris Morris Master Distiller for Woodford Reserve



Woodford Reserve is one of Kentucky's oldest bourbon producing distilleries





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Mark Brown, President & CEO of Sazerac Company Inc

### Communicating craftsmanship

Some 55 miles from Louisville lies Buffalo Trace Distillery, located in Frankfort, KY. The award-winning distillery, owned by Sazerac, is over 200 years old. The 440-acre distillery sits along the Kentucky River, the original buffalo migration route, hence its name. The distillery is home to brands like Buffalo Trace, Eagle Rare and Sazerac Rye.

Americas Duty Free connected with Mark Brown, President & CEO of Sazerac Company Inc, to get his take on the global growth and domestic revival of the brands that fall under the Sazerac umbrella. Like many in the industry, he touches on the fact that the heritage and nuance around bourbon has always existed, but is only now being communicated properly.

"Distillers are now properly communicating the amazing product story – quality, heritage, craftsmanship and time that goes into making each bottle of bourbon, and it's every bit as complicated as making

fine wine," Brown explains. "It is very sustainable. The global opportunity could last for 100 years."

Sazerac brand Fireball Cinnamon Whisky is notably one of the most popular brands in the Americas regions. The value-based spirit performs well in duty free as it appeals to a large demographic of travelers. "Fireball has become a firm fan favorite across the entire consumer spectrum and global market, quite remarkable, and we feel honored," says Brown. "We have been very pleasantly surprised with sales of Fireball in the duty free channel given current channel trends. It reinforces to us the universal appeal of the brand as it has become a staple brand in our consumers' entertainment repertoire."

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Sazerac's Fireball Cinnamon Whisky has set a blaze to duty free







Every bottle of Maker's Mark is still hand-dipped with its trademark red wax topper



Every aspect of Maker's Mark production exudes a craft feel supported by a rich history

(or so it seems) is hidden gem Maker's Mark on Star Hill Farm. The bourbon, famous for its hand-dipped red wax topper, is aged for six years at the distillery.

The limestone-filtered 10-acre spring-fed lake at Star Hill Farm was integral to Bill Samuels Sr's, the fourth generation distiller of Maker's Mark, acquisition of the property and one reason Maker's is so focused on sustainability efforts and protecting the watershed. This designated water sanctuary reflects its commitment to improving plant diversity, preventing erosion, increasing groundwater infiltration and providing wildlife habitat.

Margie Samuels, wife of Bill Samuels Sr, is credited with making this distillery much more visitor friendly – essentially

enabling the birth of bourbon tourism. Carole Soulard, Customer Marketing Manager at Beam Suntory Americas Travel Retail, states, "Maker's Mark is a pioneer in Bourbon Trail Tourism – Maker's Mark offers the most authentic bourbon experience on the trail." Distillery visits today reflect the hand-crafted elements the brand is noted for, like handmade labels, hand-dipped wax toppers, and the practice of rotating bourbon barrels from top to bottom bunks to ensure temperature-controlled ageing.

The brand was also one of the first spirits in 1961 to partner with American Airlines to offer bourbon onboard, opening the channel for others to follow.

The year 2010 welcomed Maker's 46


into travel retail as the firm's first new bourbon in almost 60 years. As well, Maker's Mark 101, a travel retail exclusive that has been out since 2018, is now also available at the distillery.

### Investing in the future

There is a resounding message of confidence that tourism is on the rise, the total bourbon inventory as of January 2019 is 7.5 million, underscoring the fact that all brands are heavily invested in the growth of the tourism channel.

"We have been delighted to welcome well over 1.0 million visitors to our Kentucky distilleries. We believe, given Kentucky's location, that the opportunity for continued expansion of tourism is very large indeed," says Brown.

Farrer shares his optimism: "You've got the agricultural components, the production components and you've got the home place lifestyle and the story that goes with it. It's a full sensory experience and there are many ways to get involved," he concludes.

Although not as far along on its developmental curve when compared to Scotch whisky, American whiskey shows no signs of slowing down as it embraces travelers in a Kentucky hug. 



The limestone-filtered 10-acre spring-fed lake at Star Hill Farm is an integral part of Maker's Mark



# Facing regulatory threats

JTI stresses the importance of differentiating the duty free industry from other channels when it comes to government regulations

BY JAS RYAT



Har Ying Pan, Corporate Affairs Manager at Japan Tobacco International, Worldwide Duty Free Asia

JTI's 'The Future of Brands' stand returned to the TFWA Asia Pacific exhibition in Singapore in May. Its message was simple, yet powerful, encouraging delegates to envisage a world where brands are ruled by excessive regulatory initiatives.

*Asia Duty Free* connected with Har Ying Pan, Corporate Affairs Manager at Japan Tobacco International, Worldwide Duty Free Asia, to get an understating of how Asia differs from the rest of the world when it comes to regulation.

Pan was elected to the Board of the Asia Pacific Travel Retail Association on 15 May 2019 and also took on the role of treasurer. With APTRA's primary focus being advocacy and the protection of the duty free industry, Pan's wealth of experience in corporate affairs makes her an ideal candidate to support APTRA in the defense of all categories in the duty free industry in Asia Pacific.

In contrast to Europe, the regulatory approach in Asia Pacific is more fragmented as different regulations and approaches exist in each country. Australia, for instance, was the first country in the world to introduce plain packaging in 2012. JTI viewed this as a failed regulation, as it did not meet the public health objective to reduce smoking and also contributed to increased illicit trade.

"We are clearly seeing a significant increase in regulatory threats to other

categories, confectionery and liquor in particular, for example the recent allowance restriction on liquor in Singapore arrivals, the discussions in South Korea around graphic health warnings on liquor and the labeling requirements for confectionery in Sri Lanka and the Philippines," explained Pan.

"JTI, the tobacco industry and, in fact, the duty free industry are not against regulation," she continued. "We support proportionate and sensible regulation that meets the needs of the consumer, the desire for transparency, the public health objectives of the regulator but respects the legitimate rights of business."

The duty free industry needs to move faster in discussions with the governments across the region when highlighting the differentiation this industry offers as compared to domestic retail. Pan underscores the importance of letting governments know, "who we are, what we do, how we contribute to the economy, and that we are well controlled and transparent."

The duty free channel plays an integral role in JTI's revenue stream, according to Pan. It is important to ensure the future of duty free arena, and to have regulations that support the industry. "The duty free channel is very much recognized and appreciated by JTI. The channel is the window to the world, an incredible opportunity for JTI to respond to the

desires of our consumers who expect to find their brands for sale when they travel internationally," she commented.

## Protocol Update

At the first official World Health Organization meeting of the countries that have ratified the Illicit Trade Protocol (ITP), the 48 countries agreed that the WHO should produce a roadmap in November 2020 for carrying out the evidence-based research into the extent to which duty free contributes to the illicit trade of tobacco products.

"JTI continues to be fully supportive of measures to combat illicit trade and in essence supports the Protocol," shared Pan. "However, due to a lack of understanding of the duty-free industry, there are proposals within the Protocol that could damage the legitimate and already well-controlled duty free retail channel, whilst failing to address the real problems, such as the illegal misuse of 'duty free' labelling. During MOP1 [Meeting of the Parties] it was decided that more time was needed to properly assess and understand the channel. The next MOP will take place in November 2020."

In Asia Pacific there is a handful of countries that have ratified the Protocol and will monitor further developments. 01





# The REVOLUTIONARY way

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**P**hilip Morris International announced the launch of the IQOS 3 and IQOS 3 MULTI in a new Radiant Red design. This Traveller Exclusive Edition will be available in Dubai Duty Free at Dubai International Airport effective immediately for a limited time only.


The IQOS system heats the specially designed tobacco sticks (HEETS) to a temperature of up to 350 degrees, compared over 600 degrees in combustible cigarettes, generating a flavorful nicotine-containing vapor. This process significantly reduces the levels of harmful chemicals in the vapor as a result of heating the tobacco instead of burning it. Burning is what generates the vast majority of toxicants found in smoke and associated with smoking related diseases\*.

IQOS is a revolutionary way to enjoy tobacco for those who would otherwise continue to smoke.

To date, approximately 7.3 million\*\* adult smokers worldwide have switched to IQOS and fully abandoned cigarettes. The product is widely accepted by adult smokers who find it a satisfying alternative to continued smoking thanks to its taste, sensory experience, nicotine delivery and the use of real tobacco. IQOS heats tobacco instead of burning it, and therefore generates no fire, no ash, and no smoke, and leaves less smell on and around adults using it when compared to cigarettes.

The most advanced versions of this innovative smoke-free product, the IQOS 3 and IQOS 3 MULTI, were launched in Dubai Duty Free last year. The latest

additions have evolved in design and functionality and ultimately strengthened PMI's position as a global leader in the smoke-free category. IQOS 3 offers a slicker design with a smaller holder and faster charging capabilities. IQOS 3 MULTI gives adult users the chance to use the device ten consecutive times without the need to be recharged.

True to the company's vision of a "Smoke-Free Future", Philip Morris International continues to invest heavily in better alternative products for adult smokers who would otherwise continue smoking. More than US\$6 billion dollars have been invested so far in developing, assessing and commercializing innovative products to pioneer a smoke-free world. 



# Into Africa

Mazaya targets Africa in a quest for new travel retail markets

BY HIBAH NOOR



Mazaya's best-selling flavors include two apples, lemon mint, mint, blueberry, gum, grape mint and gum with cinnamon, all offered in a range of pack sizes

**L**uxury shisha brand Mazaya is targeting Africa as the next region for growth following its rapid expansion across the Middle East.

Since it was launched in 2010 by the Jordanian tobacco company Alzawrae, the brand has expanded to more than 30 domestic markets with a rapidly growing number of duty free listings, which include airport retailers and border shops in Jordan, Lebanon, Egypt, Kuwait, Qatar, Bahrain, United Arab Emirates and Nigeria.

"We are performing well generally in many regions," Rawan Elayyan, Mazaya's Brand Manager told *Gulf-Africa Duty Free*. "The best performing regions are mainly the Middle East and Gulf countries, where domestic listings have been reflecting on our travel retail business as both channels support each other."

Cruise ships and border shops are also considered to be fertile areas for future growth.

Elayyan emphasizes that a 'one size fits all' approach is inappropriate when marketing to the consumer. "Trends and consumer habits differ a lot based on the consumer characteristics, for example age and gender," she explained.

"Generally, consumers are becoming more educated about this industry, open to flavour varieties and mixes so they are willing to try new flavors. Previously, people tended to be more loyal to their preferred flavors."

## Flavor pioneers

Pioneers in the production of high-end tobacco molasses from premium French tobacco blended with pure honey and natural food flavoring, Mazaya has created a wide range of flavors to match consumer preferences. The best-selling flavors include two apples, lemon mint, mint, blueberry, gum, grape mint and gum with cinnamon, all offered in a range of pack sizes.


Ever the innovator, Mazaya has just launched a new line which offers fresh takes on traditional favorites. "We have a new line that was introduced in local markets first. After its huge success, we introduced this line to the duty free shops and it is now listed in many shops," enthused Elayyan.

"Usually our special lines include new flavors. However, this 'Out of This World' line includes some of the standard flavors but with a twist to the original flavor. By this we are adding diversity and variety in the same flavor to capture all our consumers' preferences as Mazaya always adapts to the consumer and market needs."

A collection of innovative glass hookas in various sizes has been created to complement the shisha offer, with additional items designed specifically for travel retail. "We have a wide range of shisha accessories, including shishas, shisha hoses, coal, tongs, foil and many other accessories that people use for their shishas. However, the purchase mechanism for those promotional items is more convenient for the local market use," said Elayyan.

"We use the glass and portable shisha in our travel retail business. In addition to that, we have many promotional items that are travel retail driven which we use as GWPs in many shops, for example duffle bags, luggage scale, headphones and many more."

In addition to gifts and other promotional activities, Mazaya has boosted its visibility in the travel retail channel through consumer engagement at purpose-built installations at key locations such as Dubai International Airport, featuring relaxing massage chairs and soothing music.

The latest activation to add value for consumers is the opening of a smart new smoking lounge in August at Murtala Muhammed International Airport in Lagos, Nigeria. 





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# GIN

## MAKERS TOAST NEWNESS

The so-called ginaissance seems unstoppable. We speak to travel retail gin suppliers to find out what's hot and what's not in the whirlwind world of gin

BY MARY JANE PITTILLA

**T**he gin sector is booming in travel retail – still. As one of the major gin-producing hotspots, the UK-based suppliers we spoke to – both niche and big players – agree that the 'ginaissance' is here for some time yet.

Hendrick's, supplied by UK independent producer William Grant & Sons, was a pioneer of the gin boom and ultimately created the super-premium category. Its success set the template for modern gin brands, spearheading the resurgence of gin since the turn of the decade, according to Ed Cottrell, Managing Director Global Travel Retail, William Grant & Sons. Hendrick's is the number one super-premium gin in travel retail with 44.5% share of the segment (IWSR 2018). Last year, that double-digit growth continued, with sales boosted by large-scale activations.

The latest launch is the limited-edition Hendrick's Midsummer Solstice, which aims to enhance the Hendrick's Original house style. To keep the momentum going, activations are important. In February, the Valentine's Day campaign celebrated Hendrick's and its odd infusion of rose and cucumber in airports including Singapore Changi, Colombo and Dubai. Passengers enjoyed free roses, gift bags and a "peculiar guide to romance".

In June, the World Cucumber Day activation celebrated the hero ingredient by inspiring people to grow their own cucumbers. The campaign used tasting bars, promoters, gifts, and striking theater pieces.

Hendrick's global sales momentum encompasses markets where demand for white spirits is traditionally smaller, for example the Middle East and Asia Pacific, and Hendrick's is the



Hendrick's new Midsummer Solstice gin seeks to enhance the Hendrick's Original house style



Bloom Gin, with its softer taste, has a loyal following who post photos on social media, particularly Instagram

first gin to be listed in South Korea, reveals Cottrell.

Asked what the company's plans are if the so-called ginaissance slows down, he replies: "We find that consumers are looking for premiumization and craft, originality and difference. Another important factor is the importance of experience, which Hendrick's offers with its in-store promotions, where consumers can really experience and engage with the brand."

### Quintessential Brands stands out in the crowd

The gin boom has resulted in an extremely competitive category, meaning that innovation is key for brands that want to stand out, says Oliver Storrie, Global Travel Retail Manager, Quintessential Brands.

The company is in a position to leverage its success, having won the ISC Gin Distiller of the year three out of four years. Its distillery, G&J Distillers, has been distilling British gin since 1761.

The group's top-selling gin brands in travel retail include Greenall's, The Original Handcrafted London Dry Gin, Bloom Gin, Opihr Spiced Gin, Thomas Dakin Gin and Berkeley Square Gin. All are helping to keep the category vibrant and growing in travel retail, enthuses Storrie.

In the case of Opihr Spiced Gin, the brand's spiced flavor profile has tapped into the consumer trend for discovery, which



Bathtub Gin Explorers' Edition is a best-selling product from Atom Brands



Chase Distillery's Pink Grapefruit and Pomelo Gin is seeing 40-50% growth in travel retail

Storrie says plays well in travel retail, by suggesting ginger ale as the mixer. Bloom Gin, with its softer taste, has a loyal following who post photos on social media, particularly Instagram, notes Storrie. And Greenall's, with more than 250 years in production, recently introduced the zero-sugar Greenall's Wild Berry Gin, which is growing fast internationally and in travel retail.

Quintessential Brands has launched three new gin products into global travel retail in the last month: Greenall's Citrus Grande, Greenall's Rosea Grande and Bloom Jasmine & Rose.

The other recently-launched products include two new flavor innovations that enable it to recruit new gin drinkers, who are often seeking a sweeter, flavored gin, says Storrie. With flavored gin accounting for 8.7% of the gin category and seeing +300% growth year-on-year, these products tap into a rising trend.

During the last 12-18 months the company has expanded into the Americas and Asia Pacific markets with key travel retail operators. The company has also garnered many airline and cruise listings.

New product development is set to continue. Opihr will get its first-ever flavor extension, while Greenall's will see a foray into gin liqueurs, targeting new gin drinkers wanting a sweeter flavor profile.

In this competitive market, brand experiences are key, Storrie believes. This year, Quintessential Brands will be opening its Thomas Dakin Gin distillery in Manchester – the original home of Thomas Dakin. To support the launch, a promotion will run at Manchester Airport.

### Atom Brands big on flavor

Bathtub Gin is Atom Brands' best-selling gin, launched into travel retail in January 2018.

What sets the brand apart is its packaging, which is hand-wrapped, hand-twined and dipped in wax, and it is also one of the few brown gins, according to Claire Keene, Global Travel Retail Manager, Atom Brands. Flavor-wise, it is described as a cold-compounded gin.

The award-winning gin's infusion process takes a whole week to complete, allowing the fresh botanical flavors to shine through. As a result, Bathtub Gin is left with its unique flavor and distinctive hue.

Regarding consumer trends, the company reports a huge tilt toward flavored gins, and local craft gin brands are starting to pop up, particularly in Australia and Ireland. Gin liqueurs are also starting to take share from the normal London Dry brands that have been on-shelf for decades.

Atom Brands has big plans to continue innovating in the gin category. "We will be launching a new gin concept at the 2019 TFWA World Exhibition in Cannes, but we are sworn to secrecy until then. It has not been done before," Keene reveals.

### Chase Distillery spotlights sustainability

Chase Distillery Ltd is playing a strong hand on the sustainability front with its Chase GB gin that's distilled from scratch at its UK farm. Indeed, the family-owned company's motto is "Championing Field to Bottle Spirits".

Established in 2008, Chase Distillery launched Chase GB Gin into the channel in 2013. James Chase, whose father William runs the family potato farm in Hereford, says: "We have limited resources but we punch above our weight," he smiles.


Another plus for the fast-growing firm is the recent hiring of ex-Bacardi Travel Retail Andrew Carter as Sales and Marketing Managing Director.

World Duty Free and Dufry are the best-performing outlets. The company is seeing "great growth" – and the brand is still growing rapidly in the channel. Chase GB Gin boasts strong visibility at all World Duty Free's UK airports. London Heathrow and the US market are growth hotspots. In addition to North America, the brand is available in Asia and Europe.

The brand does large-scale sampling to engage shoppers. "Travel retail is a growing channel and brand activations give us great exposure and awareness – such as our most recent activation in London Heathrow Terminal 2, where we paired up with [upscale UK retailer] Fortnum & Mason for a British summer activation, supported by a JCDcaux advertising campaign."

Two years ago, the company introduced Pink Grapefruit and Pomelo Gin, a pink-hued citrus gin that's seeing substantial growth in travel retail. Chase notes "huge growth" in flavored gins and new variants.

Innovation is important. "Consumers are looking for innovation in the form of super-premium offerings and unique gifting opportunities," reveals Chase.

Chase Distillery hosts popular visitor tours, welcoming some 10,000 people each year. The number of visitors this year is up 30%. 



# Liquid Assets

Spirits continue to pour into a category that sparkles with innovation and flavor

**1. BACARDÍ Gran Reserva Especial (16YO):** A world exclusive in GTR from Bacardi. The brand believes the addition of this 16YO will further indicate the craftsmanship that is prevalent at the premium end of the category, likening the 16YO to a 40-year ageing in whisky. Bacardi Gran Reserva Especial (16YO) makes for an ideal sipping rum



**2. Amarula Raspberry:** Popular cream liqueur Amarula unveils new flavor Amarula Raspberry. The spirit infusion of tropical fruit, berries, citrus and botanicals is a growing trend both in South Africa and around the world. Designed to suit modern flavor profiles marked out by unexpected and interesting tastes



**3 Whitley Neill Blackberry Gin:** Halewood Wines & Spirits expands its portfolio with the new full-strength handcrafted Whitley Neill Blackberry Gin. This expression presents a vibrant, intensely fruity flavor with a core of piney juniper followed by zesty sweet citrus and hints of black pepper. The finish has a little earthiness alongside the warming spice of cassia. Whitley Neill Blackberry Gin (ABV 43%) is presented in 5cl, 70cl and travel retail-exclusive one liter bottles



**4. Cihuatán Rum:** Cihuatán Nahual is the first limited edition rum produced in El Salvador's first and only rum distillery. The blend features a selection of rums from its private reserves, and is offered to spirit connoisseurs in an exclusive worldwide release of only 13,000 bottles. Salvadoran artist Gabriel Granadino has breathed new life into the myth of the Mayan Nahual by creating the bespoke artwork for this exclusive rum. Each bottle comes carefully hand-numbered and signed by Gabriela Ayala, Cihuatán Rum's Master Blender







**5. Littlemill Vintage 1992 Single Malt Scotch Whisky:** GTR exclusive Littlemill Vintage 1992 Single Malt Scotch Whisky is a limited release from the Littlemill distillery, the oldest licensed distillery in Scotland. It displays a subtly floral, vanilla-rich sweetness and comes with a 5cl vial for those who would like to sample the whisky while keeping the bottle intact. Every bottle is individually numbered and comes from a very small parcel of stock, consisting of just three casks



**6. Iceberg Vodka:** Iceberg Vodka is now available with redesigned packaging to reflect a modern craft brand while remaining true to the brand's Newfoundland heritage, and the 20,000-year-old icebergs that go into the bottles. Much like an iceberg itself, the label appears modern and minimal on the surface, but beneath it tells a deep and rich story through a hand-drawn illustration that evokes Canadiana



**7. CHOYA EXTRA FRUIT:** CHOYA introduces CHOYA Aged 3 Years Extra Fruit, which is built on the success of its ISC Gold Medal Award-winning sibling, with the addition of ripe Nanko-Umeshu puree. This extra fruitiness, around 365g of Umeshu per bottle, adds a sweetness that complements the long aging notes of this authentic Japanese liqueur. CHOYA uses only natural ingredients without artificial additives, such as acidulants, colorings or flavorings, to maximize the Umeshu fruit taste



**8. Qvevri Chenin Blanc:** In early-2018 Avondale became the first winery in South Africa to begin working with Qvevri – pronounced kwe-vree – egg-shaped earthenware vessels that hail from the European country of Georgia. This produced Qvevri Chenin Blanc, the first South African wines to be vinified, fermented and matured in clay qvevri. Distributed by Diverse Flavours, the Qvevri Chenin Blanc is made from 100% Chenin Blanc grapes, grown organically to biodynamic principles on the Avondale estate. With a combination of whole-bunch pressed grapes (40%), destemmed fruit (30%), and whole-bunch fermented (30%), all components were left on the skins for between three and four months, with the wine fermented and matured in Qvevri for a total of 12 months



**9. WILLIAM PEEL DOUBLE MATURATION:** Marie Brizard presents a whisky that acquires its rich and smooth taste from its maturation in two different types of oak casks. A first maturation in traditional oak casks reveals the unique character of William Peel consisting of generous malted and fruity notes. A second maturation in first-fill ex-Bourbon casks adds roundness and reveals elegant vanilla and woody aromas. To be enjoyed neat with or without ice



**10. Balblair 25-Year-Old:** International Beverage Group has unveiled a new travel collection of age-statement single malt Scotch whiskies from its multi-award-winning Highland distillery, Balblair. Balblair 25-Year-Old is matured initially in American oak ex-bourbon casks then reshaped in Oloroso Spanish oak, with notes of oily citrus, chocolate praline, fresh tobacco leaf and blood oranges. Available as a 75cl **OF**



# Investing in the future

BY CHRIS MADDEN

Exclusives are paying dividends for Oettinger Davidoff, but now the premium cigar manufacturer is looking to educate both shoppers and staff as it writes its next chapter

Exclusive releases have been a key driver for Davidoff as it enjoys a good start to the year

The brand's 2019 Exclusives range aims to appeal to shoppers from its featured city or region



Cigar manufacturer Oettinger Davidoff is celebrating a “strong and very stable” first half of 2019 in travel retail, but the brand is not resting as it moves forward with a newly reviewed strategy for the sector.

With a focus on education and exclusivity at the forefront of the Davidoff mindset, the brand’s Director Global Duty Free Accounts Darren Eaton says he and the team “are keen to see the results of this [new strategy] being implemented into the market”.

Exclusive lines are key for a unique proposition in the market. Unlike some sectors, the demographic of cigar shoppers is not changing drastically and Eaton believes brands must keep their offer developing to avoid stagnation.

He explains: “Within the cigar category, we have not witnessed any major changes in the passenger profile. Overall, the growth of passengers seen in the business is across all demographic groups, so this naturally translates to buying behavior in store.”

Eaton continues: “In order to fulfil our premium promise to our customers and business partners, we at Davidoff try to continuously delight and surprise with new blends and taste experiences.”





### Fresh appeal

Davidoff kicked off the year strong, enjoying “great success” with its annual Chinese New Year release. The tailored product, released for the holiday and aimed at catching the eye of the key Chinese shoppers, is an idea which the brand has developed successfully in recent years. “Davidoff is famous for its limited editions related to the Chinese Zodiac,” Eaton enthuses.

Such special and limited editions are central to the brand’s offering, with a wide selection of Davidoff products available in the market meaning there is something to suit the tastes of all consumers.

“Davidoff has an extensive range of offers, and the positive news is that we are seeing some strong performance across all major product groups,” Eaton says. “Of specific note, the Winston Churchill range has performed very strongly. As a wider observation, we note very strong demand for our range of ‘short smoke’ products, including Davidoff Primeros, Demi Tasse and across the cigarillo range.”

The Winston Churchill range was the company’s first to include a travel retail exclusive; in January, Davidoff announced the Limited Edition Winston Churchill The Traveller, which included a run of 4,500 etuis of five Corona cigars which were only available to traveling shoppers.

Travel retail is a market which constantly demands differentiation and Davidoff has risen to the occasion; early 2019 saw the release of the limited edition Robusto Real Especiales 7 which, compared to the domestic market, is available in an etui packaging with a Davidoff travel selection icon, created specifically for the market. Eaton enthuses: “[It is] a vintage blend originally launched in 2004 created out of seven different tobaccos, which can be found in Davidoff’s Core cigar assortment. The cigar was honoured with 99 points from Halfwheel for its following specifics: one cigar, seven tobaccos, [including] one wrapper, one binder and five fillers – the first cigar to do this.”

### Sense of place

This desire for uniqueness is what drives the Davidoff Exclusives Limited Edition range. In 2019, the Davidoff Exclusives featured nine limited edition cigars tailored to specific cities and destinations to meet the demands of the smokers in the specific regions. These exclusive editions are presented in white ten-count boxes decorated with gold foil designs reflecting the city which inspired their creation. Relevant to key travel retail locations are the Dubai, Hong Kong, Madrid and Barcelona editions.

Central to the creation of the product was not just innovation, but partnership to ensure the cigars met the demands of shoppers. Eaton says: “The cigars come in a Robusto size format and are all complex multi-origin blends with tobaccos from Mexico, Nicaragua, Ecuador, and the Dominican Republic.

“The designs are based upon landmarks of the specific region and the cigars have the Davidoff ring, with a secondary ring customized to its edition.”

Partnerships are central to Davidoff’s other key focus going forward: education.

### Telling the story

For a brand creating the variety and range of products Davidoff offers, it is vital for Eaton and his team that both store staff and shoppers are aware of what different products bring to the market.

“Education on the cigar category, the Davidoff “Crop-to-Shop” philosophy and Davidoff products is a top priority for Oettinger Davidoff,” he explains. “It has been, and continues to be, a proven growth driver within the regions who actively engage in training and education activities, showing double digit increase in sales compared to regions without a similar training program.”

Alongside traditional methods such as live training and tasting and pairing experiences, Davidoff makes great use of its “Davidoff of Geneva since 1911” online academy. Launched in 2017, the tool offers a range of courses for staff, partners and retailers.

“The platform is offered to our staff, partners and retailers to learn and be continuously updated about Davidoff Cigars, increasing their knowledge and staying competitive to increase confidence and sell out,” Eaton says. “Davidoff sees engaging staff in interactive learning experiences as a key to the business’ success in a competitive market, where best sales advice and story-telling becomes more important than ever.”

The wide range of products in the Davidoff stable means such education will only become more important. But with further innovations on the horizon and a refreshed strategy for travel retail, the brand’s story, which dates back more than a century, appears to be entering its next chapter with confidence. ☪



# A woman's world

In a traditionally male dominated spirits industry, there seems to be a shift occurring where we are seeing women taking on high-ranking roles. We here at *Americas*, *Asia* and *Gulf-Africa Duty Free* magazine feel it's important to celebrate this evolution by sharing stories about successful women in the duty free industry

BY JAS RYAT

**CAROLE SOULARD,**  
Customer Marketing  
Manager at Beam Suntory



**How long have you been in the industry?**

**A** 16 years in travel retail, including three years in spirits.

**Are you able to share some of the professional obstacles you have faced being a woman in the spirits industry?**

**A** I have been very lucky to work for a company that really does champion diversity and inclusion. I have seen countless examples, both within our brands and our business, of celebrating and empowering women for their contribution to the industry. Beam Suntory has always trusted women, from the days of Margie Samuels with Maker's Mark to Bessie Williamson at Laphroaig, and will continue to recognize the huge value they offer. I have always been very lucky to have incredible mentors to show me the way.

**How has the industry changed in regards to women seen in decision-making roles today vs 10 years ago? Where do you see it heading in the future?**

**A** I believe we are now in an era where the sky is the limit as more and more companies understand the path that was pioneered by companies such as Beam Suntory to use diversity and inclusion as strengths and to build on their employees' diverse passions. In the future, I see women becoming ever more present in decision-making roles and I am confident this will only be a good thing for the industry.

**EKATERINA SMEKHUNOVA,**  
Head of Global Travel Retail  
Department at Beluga Group



**How long have you been in the industry?**

**A** Since 2013.

**Q: Are you able to share some of the professional obstacles you have faced being a woman in the spirits industry?**

**A** The spirits industry is traditionally a man's world in Russia. However, in travel retail I see more women in key positions. It means we are becoming more and more professional. In fact some of companies have special programs to support women to be key managers in parity with men, for example at LVMH.

**How has the industry changed in regards to women seen in decision-making roles today vs 10 years ago? Where do you see it heading in the future?**

**A** Currently I see more women in the industry and in key positions than six years ago. I see in the future a minimum of 50% of key positions in the industry worldwide being held by women.

**Are you able to share a recent professional "win" that you want to celebrate with readers?**

**A** I'm happy to announce how business in Asia and the Americas has increased over the last two years. It is not my "win", however, it is a result of the huge amount of work by our export and marketing team. We have a lot of new listings and promotions worldwide. We are creating new design concepts, special products and looking for new opportunities to increase our business in travel retail.



**ANNA-KAI TORS,**  
Export Marketing Manager  
at Liviko As, Estonia



**How long have you been in the industry?**

**A** I was first at the advertising agency that served Liviko's brands and then back in 2011 was invited to "switch sides" and come to Liviko instead. I started as the brand manager for Vana Tallinn liqueurs. At the end of 2016, I was promoted to my current position – Export Marketing Manager. I take care of Crafter's Gins, Vana Tallinn liqueurs and our vodka brands' marketing activities in travel retail and in more than 30 export countries where we sell our products.

**Are you able to share some of the professional obstacles you have faced being a woman in the spirits industry?**

**A** Overall, our region – the Nordics – has always been more open-minded compared with some other places in the world. Personally, I do not believe that being a woman has ever been a major factor in my career. Everything that I do, I do with passion, believing in our products with full heart. Sure, the spirits business has always been more male dominated, hence the look in people's eyes sometimes, hearing what I do. Unfortunately, in this business I guess women still have to prove themselves more than men. Being a female, you also get more comments and judgment based on your looks, I suppose.

**How has the industry changed in regards to women seen in decision-making roles today vs 10 years ago? Where do you see it heading in the future?**

**A** I guess the answer is also above.

**Are you able to share a recent professional "win" that you want to celebrate with readers?**

**A** It is always a pleasure seeing our new products entering the market, in which birth I was involved from the scratch. Crafter's Gins just a few years back or the recent launch of our very first travel retail exclusive product: Vana Tallinn Coffee Fusion.

**AUDE BOURDIER,**  
Vice President Marketing,  
Global Travel Retail & Developed  
Asia Pacific at Brown Forman



**How long have you been in the industry?**

**A** I have been working in the spirits industry for 30 years now, which includes 27 years with Bacardi and going on seven months with my current employer, Brown-Forman.

**Are you able to share some of the professional obstacles you have faced being a woman in the spirits industry?**

**A** As you can imagine, when I started in the spirits industry 30 years ago, it was overwhelmingly dominated by men. The atmosphere then was very different from today. I saw myself as a professional who was willing to work as hard and be as productive as anyone and therefore gender shouldn't matter. But by far my greatest frustrations came from the frequent, unwarranted promotions given men over women and the common, but usually unspoken, concern as to whether a mother can handle both a family and a demanding career.

**How has the industry changed in regards to women seen in decision-making roles today vs 10 years ago? Where do you see it heading in the future?**

**A** While, regrettably, the wine and spirits industry has lagged behind other business endeavors in women having decision-making opportunities and responsibilities, it quite honestly has come a long way during my tenure. Women are now truly considered an asset in supervisory and executive positions, as opposed to the past, when they were more often than not a mere exception that happened from time to time.

**Are you able to share a recent professional "win" that you want to celebrate with readers?**

**A** After 27 years with my former company, a unique opportunity presented itself that was a perfect fit for me based on my qualifications and past experience. Brown-Forman, had recently conducted a business reorganization that combined global travel retail with the domestic markets of Australia, New Zealand, Japan, Korea and Taiwan. A new position was created to oversee the marketing activities in what was a major geographic region and they were interested in talking to me. All the hard work put me in a position to accept and welcome this awesome responsibility. It is a "win" for my career and, thus far, one of my best professional decisions.



The Macallan Boutique in Dubai is the first in a series of boutiques scheduled to open this year and early in 2020



## Displaying luxury credentials

Suzy Smith, Managing Director Global Travel Retail at Edrington reveals the strategy behind The Macallan luxury boutiques

**E**drington Global Travel Retail underscored the luxury credentials of The Macallan single malt whisky with the opening on June 16 of the brand's first mono-brand boutique at Dubai International Airport Terminal 3 in partnership with wine and spirits specialist Le Clos.

In an exclusive interview for *Gulf-Africa Duty Free*, Suzy Smith, Managing Director Global Travel Retail at Edrington explained the rationale.

"The boutique program is part of our long-term aim to build The Macallan's luxury credentials," she said. "By creating our own standalone retail environments, we will be able to offer an experience which embodies the brand and enables a deeper level of engagement with our target consumers."

"We've made our ambitions clear as far as our leadership role in the travel retail channel, our luxury positioning and our aim to drive value through premiumization. The boutique program underscores our commitment to delivering on this vision."

The Macallan Boutique in Dubai is the first in a series of boutiques scheduled to open this year and early in 2020.

"Over the last few years we have made significant investments in consumer insight, which has allowed us to identify globally an audience of widely traveled individuals who seek out travel retail as a channel to engage with luxury brands," Smith revealed. "This profile offers clear, natural synergies with our boutique strategy. Of course, within this pool of consumers there will be differing levels of category adoption and brand awareness; our goal is to ensure that whether a traveler is new to the brand or a life-long advocate, The Macallan Boutique has something for them."

It was not only high passenger volumes that put Dubai in the frame for the first boutique. "Dubai Airport has a strong track-record for championing luxury retail to a global consumer mix," observed Smith. "The demographics at the airport mean that we are able to showcase The Macallan to many of those whose recruitment we have identified as being key to growth."

"The Macallan has also enjoyed a strong partnership and many successes with Dubai-based fine wine & spirits retailer Le Clos for many years," she said. "This relationship coupled with Dubai Airport's luxury retail strategy and pas-

senger demographics make for an ideal location."

Edrington will draw on the close relationships that their partners cultivate with their most valued customers to drive footfall.

"Our goal is to provide travelers with a retail experience and product offer which matches and exceeds their expectations," Smith said. "By offering a range of exclusive The Macallan products, including those from our prestige range such as Golden Age of Travel and Fine & Rare bottlings we hope to make the boutiques a go-to destination for these shoppers. We will also offer customers high-end experiences that they cannot find elsewhere, including tastings of the prestige range, canapé pairings and creative whisky cocktail experiences."

Revealing the inspiration for the design, Smith said: "The Macallan Boutique design is a bespoke concept, bringing to life The Macallan brand values at that moment of consumer connection. It draws heavily from the passion, vision and beauty of The Macallan Estate by using architecture, aesthetics and materials, as well as certain immersive features that are distinct to the new distillery and the surrounding estate."

Smith concluded: "In terms of creating a compelling and immersive environment, we are confident The Macallan boutiques will represent best-in-class and underline our leadership ambitions in travel retail." **OF**



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# Treasury Wine Estates

plots a win for the wine category in duty free



Simon Carter, General Manager, Global Travel, Treasury Wine Estates

TFWA Asia Pacific exhibition hosted a number of new and existing wine suppliers, underscoring the opportunity that exists for growth in the wine category. Treasury Wine Estates has come to duty free prepared to deliver

BY JAS RYAT

Australia-based Treasury Wine Estates (TWE) is one of the largest players in the duty free arena that is taking wine seriously. The company boasts over 70 brands in its portfolio that appeal to holiday makers, wine enthusiasts and collectors alike. The company's focus is to have a strong footprint in traveler recruitment to wine.

*Asia Duty Free* magazine met with the TWE team at CÉ LA VI in Marina Bay Sands Hotel, Singapore against a surreal backdrop of sailboats on clear blue seas.

Simon Carter, Global Travel Retail Manager at Treasury Wine Estates, explained his firm's strategy to ensure smooth sailing ahead.

Wine as a category offers potential for success. "We are working with strategic customers and our global travel sales and marketing team are passionate and eager to partner and execute initiatives to grow the category," said Carter. "If you consider the percentage of wine consumption in developed markets it's between 30-40% of total alcohol. In duty free, wines represents about 17-18% of sales, so there is definitely opportunity for growth."

TWE's strategy has delivered the company results in terms of sales growth with key partners across the market place. Carter emphasizes that it's about finding the right product assortment and the right category plans to execute effectively and to better engage travelers. Recently TWE commemorated lead brand Penfolds'

"We think there is head room for growth as our insights differentiate us from other wine companies out there. If we can build the category it will be positive for everyone."

**SIMON CARTER, GLOBAL TRAVEL RETAIL MANAGER AT TREASURY WINE ESTATES**

175th anniversary. "The opportunity to celebrate the anniversary of the Penfolds Collection provides a halo effect for our executions in the overall channel across 2019," he commented.

"Having a clear strategy around the portfolio by region, and by customer, is important because it is easy for the traveler to be overwhelmed," said Carter. "We focus on brands as a signpost and then we look at wine styles and country of origin. We're always eager to execute with creativity to inspire and help travelers learn about wine styles, regions and stories."

## Opening doors

Travelers have become more interested in wine as the category grows in duty free. Naturally this opens up doors for more varieties and price points for luxury

wines. TWE has established a strong foothold in the luxury wine category as it caters to collectors and enthusiasts alike. Travelers are now researching brands and regions that offer high quality wines, allowing duty free to be the ideal place to service these consumers.

"We launched Penfolds Special Bolting this year. A new range which included Penfolds Lot 518 - Spirited Wine with Baijiu and the limited release Penfolds Lot 1990 pot distilled single batch brandy. They've performed well and delivered category growth for our partners across Asia Pacific. So we are very pleased with the results and looking forward to releasing the 2012 Champagne Thienot x Penfolds Chardonnat Pinot Noir Cuvee," commented Carter.

## Global reach

TWE products can be found in Australia and New Zealand, the Americas, Europe and Asia. Asia remains a priority region for duty free in line with projected trends in passenger growth. Top end sales are driven by a combination of tourists from Asia and wine collectors who are frequent flyers.

"Planning with our partners is focused on insights to highlight the opportunity for wine in travel retail. We think there is head room for growth and insights differentiate us from our competitors. If we can build the category it will be positive for everyone," he concluded. **DF**



# ORIS CHINA

## looks to secure a bright future

The mounting restrictions on packaging is making branding difficult in the tobacco market, but Oriental Trading's Oris China brand is moving with the times to keep growing

BY CHRIS MADDEN

**R**einvention is the key to building a young brand in the duty free and travel retail tobacco market. That is the view of Oriental General Trading Inc General Operations & Marketing Manager Tania D'Souza.

Three years ago, Oriental released its Oris China cigarette brand into the market and since then the line has gone from strength to strength. Late last year the company released a new orange peel flavor variety, as well as the double-capsule, super slim Oris Fashion to tap into consumer trends for innovative flavors and slimmer cigarettes.

Keeping pace with the latest trends is vital for D'Souza and her team.

"Business in duty free is doing well in 2019," she says. "Oris China is gaining recognition amongst consumers and the sales of the brand is growing at a steady pace."

"With changes in smoker trends and preferences as well as changes in regulations we are constantly reinventing our brand by introducing new SKUs or modifying the packaging to suit the markets we are present in."

Chief among those changes is a growing desire among Chinese smokers for super slim and capsule cigarettes, as well as the rise of electronic cigarettes as the demand for innovation grows.

D'Souza explains: "The young smokers prefer to purchase international brands when they travel and prefer to experiment with flavored cigarettes."

For most shoppers taste is linked to color, but it is here that Oris is facing its



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biggest challenge in the form of the growing number of packaging restrictions. With many countries requiring health warnings on tobacco products and others implementing plain packaging laws, the challenges for a new brand have never been greater.

"Plain packaging makes it difficult for consumers to identify the brand, so it is much harder to introduce new brands or rely on colorful packaging as a point of differentiation," D'Souza says.

"There are many new challenges all tobacco companies have seen this year. The introduction of the Digital Tax Stamp in the UAE, the track and trace system being implemented in certain markets as well as the switch to plain packaging regulations in several countries have affected tobacco businesses."

### Cornering new markets

With challenges growing, Oriental is seeking new opportunities for its Oris lines and has turned its attention to the booming cruise market in China. With



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Flavored and smaller cigarettes have been an important part of Oris' growth in duty free over the last year

Restrictions on packaging are making life difficult for newer products which rely on color for their branding

figures from the Cruise Lines Association suggesting between 8 and 10 million Chinese passengers will be heading to the high seas by 2025, the time to tap into the region's cruise market has never been better.

"We will focus on promoting the brand in cruise ships and cruise terminals as cruise holidays are becoming popular amongst the Chinese," D'Souza enthuses.

Special promotions and travel retail exclusive packaging for some SKUs will also feature heavily in Oriental's plans for Oris in the year ahead as the company looks to build on its foundation and tap into other growing markets such as the increase in non-Chinese shoppers for the brand at Dubai International Airport.

With innovations such as Oris China Orange Peel already joining Oris Panda Black and Oris Peace Res Queen Size as top sellers, D'Souza is confident the brand is still on the up, but she is under no delusions over the obstacles ahead: "With track & trace and plain packaging it will be a challenging year for us." ☐



Nicaragua is home to the Flor de Caña distillery which is operated with sustainable production in mind

# FLOR DE CAÑA RUM

## demonstrates sustainability is a life-long commitment

Nicaraguan Rum  
Flor de Caña is Fair  
Trade certified and  
sustainably sourced  
from field to bottle

**G**lobal demand for sustainable products is on the rise across all aspects of our daily lives. Consumers want to know that the products they are purchasing were made responsibly and sustainably, even more so, that the companies behind these products are reducing their carbon footprint.

Flor de Caña Rum is a good example of a brand that has been doing things right from the start, with sustainability embedded deep in its DNA. The company is well known for its line of high-end premium rums and was honoured recently with the title of 2017 Global Rum Producer of the Year by the International Wine and Spirit Competition.

Established in 1890, the Flor de Caña is operated by the fifth generation of the founding family. It has developed a unique, all-around sustainable production model, which is unusual within the spirits industry.

### Sustainable production

The raw material used for the production is sourced from the only agro-industrial mill in the world to have the two top certifications on sustainability: Bonsucro and Fair Trade.

During the fermentation process, all CO2 emissions generated are captured

and recycled (certified by International Sustainability & Carbon Certification). Then, the rum is distilled using 100% renewable energy, as certified by Lloyd's Register. And finally, the rum is aged naturally without sugar or artificial ingredients, as verified by laboratories CENSOL and LMC. The brand also plants 50,000 trees annually to further protect the environment, wildlife and water resources.

Flor de Caña is also certified on specific areas of the production process, including worker health and safety (ISO45001), quality assurance (ISO9001), food safety (HAACP), environmental management (ISO14001) and the KOSHER certification. These certifications are testament to the company's commitment to upholding the highest standards in every aspect of its production process.

### Holistic approach

The company's commitment to its employees goes beyond what is required

by these certifications. It is one of the few companies in the world to have had a company-owned school since 1913, offering free education to employees' children, and a company-owned hospital since 1958, offering free healthcare to employees and their families.

This holistic approach to sustainability has led it to become one of the first global spirit brands to be Fair Trade certified, which is among the most prestigious titles related to sustainable sourcing and production in the world. The Fair Trade certification doesn't only mean that the rum is produced in compliance with over 300 rigorous labor, social and environmental standards, but also that for every bottle purchased, consumers are directly contributing to worker well-being, community development and environmental protection.

Flor de Caña is an aged rum that you can enjoy guilt-free while helping make the world a better place. **OF**



The Flor de Caña portfolio is one of the first global spirit brands to be Fair Trade certified



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# Zamora launches craft gin with a difference

BY JAS RYAT

## Zamora Company introduces Martin Miller's Gin with a point of differentiation

Spanish wine and spirits producer Zamora Company is executing its plans of global expansion based on its growth in recent years. From its base in Cartagena, the family-owned business represents over 15 brands, has a presence in more than 80 countries with 12 facilities spread across Spain, Italy and the Dominican Republic, and has 424 employees.

As a part of the company's latest global expansion strategy, it has established operations in China, Mexico and France. *Asia Duty Free* spoke to Alfred Goh, Zamora Company's Area Director Asia Pacific, who expressed hopes of replicating this growth in the Asia Pacific region.

The company comes to the Asia Pacific region with a strong proposition for Martin Miller's Gin. In an already saturated gin category, is there room for yet another gin? Goh attests to the fact that although the gin category does have a solid base at the moment, the real question should be where the category should grow from here.

### Unique proposition

"One big thing we are seeing right now is that the big players are going into flavors," explained Goh. "Flavors are a trend. We believe in looking at the source - at the core - and build from there. Our proposition is the water."

Like most gins, the base recipe includes juniper with the addition of several earthy and citrus botanicals. However, in a product with a 40% ABV and 60% water, Martin Miller's has focused on the water as its differentiating point.

"Our water is shipped as ice blocks from Iceland to the UK to have it proofed. The water has a very high alkaline level and this causes very high surface tension in the water. What this means for the consumer is that, when you drink it, you will actually feel a smoothness and not the 'afterburn' in your throat," he commented. Water is key because it is the majority.

Goh's proposition is that there is no fluff, no flavors, no additives, just gin.

Asia as a whole is still an emerging market and its taste profile is different to that of Europe and other western regions. Delivering a high end gin to this region will open this category to new discoveries.

"Now we have sipping gins," Goh continued. "We have gins that you can pour over a block of ice, to sip and enjoy with a cigar, along with other high end spirits. Given technological advances and the widespread use of social media, Martin Miller's Gin gives people the opportunity to start telling stories."

### Ginnovation

So how does the brand plan to keep its gin relevant and thriving while competitors have hopped on the flavor train? Martin Miller's Gin decided to innovate by barrel-aging its gin. Spirits take on the characteristics of the cask in which they are aged, with the biggest aging factor being temperature. "We started to age the gin in Iceland where the temperature is low. We tried many different casks; each cask aged with different properties, for different times and at different temperatures. This is craft at its finest," explained Goh.

The result was Martin Miller's 9 Moons followed by Martin Miller's 26 Moons. Martin Miller's first cask-aged gin, 9 Moons is matured for nine months in American oak bourbon barrels, while the latter, Martin Miller's 26 Moons, has been aged in a single Madeira cask for over two years.

A whopping 43.5% of the company's sales come from the international market, and that is expected to reach 50% in 2022. With propositions like Martin Miller's Gin, Zamora Company is set to make the retailer's job of converting innovation into sales much easier. **OF**

Martin Miller's 9 Moons is a barrel-aged gin, offering consumers an alternative to premium brown spirits

Martin Miller's Gin focuses on its high quality water as a differentiating point from other brands





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3. Best Spirits Supplier
4. Best Tobacco Supplier
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Casillero del Diablo Route of Cabernet Sauvignon range takes on travel retail with a unique approach of labeling the different expressions with ageing statements on the front labels

# Welcome to THE DEVIL'S CELLAR

Viña Concha y Toro founder, Don Melchor de Concha y Toro, spread a rumour that his wine cellars were haunted by the devil to discourage theft. Casillero del Diablo went on to become a devilish success

BY JAS RYAT



Nani Mulet,  
Head of  
Marketing for  
Viña Concha  
y Toro Asia  
Pacific

Chilean wine maker Viña Concha y Toro S.A. (CYT) burst onto the travel retail scene late last year to duplicate its domestic success on an international level. No stranger to achievements, the company, based in Santiago, Chile, is the largest wine producer from the Latin Americas region.

*Asia Duty Free* spoke to Nani Mulet, Head of Marketing for Viña Concha y Toro Asia Pacific, and Philip Sancto, Viña Concha y Toro Regional Commercial Director Asia Pacific, to better understand the firm's ambition to become one of the top wine suppliers in travel retail and grow the South American wine category – a previously untapped channel. Their proposition, entitled The Route of Cabernet Sauvignon, features three expressions of Cabernet Sauvignon, each of which takes the consumer to a different wine valley in Chile: Maipo, Maule and Rapel.

After researching to find new opportunities in the channel, the team concluded there was little-to-no presence of Chilean wines. Says Mulet: “We realized it would be a massive opportunity for us to jump on. The next thing we thought of is what brand actually fits? Casillero del Diablo was a natural choice. It is a huge brand – in fact, it's the second most recognized wine brand in the world, so it presented the perfect opportunity for us to enter the channel with travel retail exclusive.”

The bespoke range has taken a unique approach of labeling the different expressions with ageing statements on the front



An interactive wire-loop game encourages consumers to journey through The Route of Cabernet Sauvignon. The game will be available onsite at airport activations



Philip Sancto,  
Viña Concha y Toro  
Regional Commercial  
Director Asia Pacific



labels, taking cues from the Scotch whisky category. Maule is aged for 10 months, Rapel for 12 months and Maipo for 16 months.

“When you see 10-, 12-, 16-month labels, you can get a read on the different quality levels. This range helps the consumer to understand and appreciate the variations to the Cabernet Sauvignons from the different locations,” explains Mulet.

### Fruitful DFS partnership

In April 2019, Concha y Toro partnered with DFS Group to launch the travel retail exclusive Casillero del Diablo Route of Cabernet Sauvignon range. The ambitious partnership was fueled by extensive research from the CYT team to get a better understanding of how it could position itself in duty free.

“We accumulated data and ran planogram analysis in the stores. Changi has one of the biggest travel retailers in the world, being DFS, and an impressive array of wines, but through our initial findings, we discovered that there were zero South American products among those wines. When you compare that to a Singapore domestic market, Concha y Toro is in the top three, having a 13% market share. We’re now aiming to become the third-largest travel retail wine supplier.”

“We found DFS a really strong partner to launch with. The initial research was really around demonstrating that there was

a big, untapped opportunity – they were very onboard from the get-go, and proved very collaborative to work with,” said Sancto.

Taking this information, the CYT team devised a plan to introduce The Route of Cabernet Sauvignon travel retail exclusive series, which aims to make the consumer an expert in Chilean Cabernet Sauvignon once they have journeyed through the range.

DFS immediately saw this as an opportunity to unlock sales, as Mulet explains. “This product launch has definitely put us on the map as a winery in terms of other retailers wanting to work with us,” shares Sancto. “DFS loved the idea. Wine is very prominent, very diverse, and can be very confusing for consumers when they’re going through the shopping process. We’ve come with a totally different approach, a point of view with a lot of content and story, and we’ve simplified the quality cues.”

Currently [from April-June 2019], Casillero del Diablo is available at nine locations in Singapore Changi Airport. It is the biggest installation DFS has ever done with a wine brand, enthuses Mulet. The T4 Departures hall features an interactive wire-loop game that encourages consumers to journey through The Route of Cabernet Sauvignon. “It’s all about the journey, engagement and letting them discover our brand. The game, which is at Changi at the moment, is a wire-loop that takes consumers through five different locations. The higher you go on the game, the more complex it gets; mirroring the journey of the wine range - the higher you go in the range, the more complex the wine,” shares Mulet.

Sancto acknowledges that although European travel retailers are still wedded to the cost-saving concept, Asian shoppers are looking for something exclusive with a story behind it. “The consumers love this range because it’s easy to understand and the retailers love that it’s simple to sell.”

Mulet concludes: “It’s interesting – we’re seeing that Millennials are buying this wine as they are increasingly willing to spend more. They’re researching products prior to purchase – they’re really focused on quality. That’s what we are delivering here – a quality product at various price points, with the addition of an engaging activation through our unique story-telling and wire-loop game.”

Casillero del Diablo’s Route of Cabernet Sauvignon activation will continue to be rolled out in the upcoming months, welcoming visitors into the storied devil’s cellar. Future activations include a launch at Hong Kong International Airport in May, then Abu Dhabi International Airport in June, followed by launches in Vietnam and Macau. **DF**



# Building on stable foundations

BY CHRIS MADDEN

The luxury aspect of the cigar market is providing stability for brands such as Habanos

With a solid consumer base, somewhat immune to the changes challenging other sectors, travel retail's cigar market has found room to grow in the face of adversity

BY CHRIS MADDEN



J Cortes is seeing a shift towards new world and exclusive products

Travel retail's cigar market is, in many ways, unique. While other sectors battle to come to terms with a new digitally-minded and balance Millennials with the traditional spending of Generation X travelers, cigar brands are enjoying a reliable customer base.

Brands within the sector say they can rely on shoppers who are still buying in the face of health warnings and restrictions on both shelf space and advertising. The category's luxury aspect and the willingness of brands to create something different for shoppers is keeping this group of customers coming back for more.

"The market is staying strong because the cigar lovers continue to look for great products especially in travel retail and duty free," enthuses Royal Agio Cigars Global Travel Retail Manager Gertrude Stormink.

"They know that new and interesting concepts are being offered which they cannot find in their domestic market."

The secret, Stormink and many of her colleagues and competitors believe, is to keep reinventing new ideas for shoppers when they arrive in the airport or store.

Like many luxury sectors, customers in the cigar market know the brands they like and will look for new and exciting varieties from those whose produce they trust.

This luxury aspect is key for the sector as health warnings and packaging restrictions are causing endless branding problems, which are further exacerbated by the lack of advertising opportunities in many countries.





### Creating something unique

But in a market like this, luxury shoppers are demanding something special.

J. Cortès & Oliva Cigars Export Manager and Travel Retail Coordinator Thomas Gryson says: "The market is staying strong because the cigars are still a luxury product despite the negative perception of tobacco in general and the more strict regulation.

"Nevertheless, we could say that the market for premium cigars is stable while the market for machine made cigars and cigarillos are declining. The mass-market products are suffering more under the regulation but also the retailers are limiting the available space at the shops."

The limitations imposed on the market are forcing brands to work harder to create something shoppers will want to get their hands on.

Habanos Director of Marketing Operations Ernesto González is clear on what he thinks is needed: "It is very important for the cigar industry to develop an aggressive policy of innovation and development of new products.

"[Especially] cigars being the focus of anti-tobacco and anti-smoking laws and campaigns all over the world."

Habanos, the state-owned tobacco company which controls the distribution and export of Cuban cigars worldwide, holds a unique place in the market. The aura of Cuban cigars carries beyond the traditional cigar buyer and into the wider market and Gonzalez and his team have worked to create "Habano moments" for shoppers to enhance the exclusive and premium aspect of the brand and the sector at large.

It is an idea which is prevalent throughout the sector.

### The power of artisan

"What performs well in the travel retail market are new and exclusive cigar concepts, premium quality in attractive and handy packaging," Stormink says.

Agio has recently invested heavily in the idea, with a rebrand of its Balmoral Dominican line's packaging to boost on-shelf and in-store branding and a high profile activation with Dubai Duty Free earlier this year.

The campaign during Chinese New Year focused on the Balmoral Añejo XO Gran Perfecto FT line. Limited edition boxes bearing the number 8 were promoted in a high visibility location and boosted sales across the Balmoral line by 40% in the airport.

Stormink explains: "Our partners, the operators, are increasingly interested in special and limited editions and travel exclusives."

Other brands have experienced similar success. Oettinger Davidoff saw good results for its annual Chinese New Year release and recently debuted its first travel retail exclusive with the Winston Churchill Traveller collection.

Gryson agrees that the market's focus is shifting to the artisan and unique.

"I think in duty free for cigars we are moving into a market which is changing from the traditional brands to more new world cigars and travel retail exclusives," he reflects.

"We have recently launched the NUB Travel Retail Exclusive and are now rolling out this product in different airports. In October of this year we will launch another exciting product for duty free."

The creation and development of new products requires branding to boost awareness among less savvy shoppers and, in that respect, the cigar category faces the same problems as its other tobacco stablemates.

"Plain packaging is a bigger threat for luxury products because consumers tend to ask for the brands they know," Gryson says. "Branding is the only way to advertise our product in the humidor or shop."

Stormink concurs but believes building brand recognition and awareness outside the store can offset the problem.

"Branding is always important to become and maintain a strong demand brand," she says.

"Thanks to our focus on our Balmoral premium cigars in travel retail in recent years, international brand awareness has grown considerably. Travelers ask for Balmoral cigars at the airports which makes us less dependent on changing legislation."


### Asia rising

Branding is becoming even more vital for the category with the arrival of the Chinese shoppers who are increasing their spend within the sector, across both gifts and personal purchases.

Gryson says that alongside Europe, Asia is set to be a key driver for the company this year. "We expect a lot from Asia," he reflects.

Asia Marketing Services Director Hans Rijfkoel, who is Royal Agio Cigars' agent for the Asia market, adds: "In Asia the markets are staying strong. Key reasons for the strong markets are the number of airline passengers in Asia continues to grow and more Chinese consumers are buying cigars in duty free."

He continues: "In Asia we expect our sales to continue growing. Well-known cigars brands like Balmoral continue to do well and demand for gift packs and travel retail exclusives is strong."

With a constant supply of new products and the arrival of travel retail's most sought after shoppers, the cigar sector looks set to build in the face of any challenges. 



# STAYING AHEAD of the curve

For drinks distributor Monarq, it is not enough to be reacting to trends in the market, the company is staying ahead of the game and have the next big thing on shelves today



Wolfburn Single Malt is the latest addition to Monarq's growing whisky portfolio

The constantly changing face of the drinks market is an opportunity rather than a challenge for drinks distributor Monarq, which is looking to offer customers the next top trend before they know they want it.

The strategy has paid dividends so far. About five years ago, Monarq began stocking Japanese whiskies in a market which was not yet ready for it – now brands such as Iwai and Akashi are among the company's best performers.

"We actually want to stay ahead of the trend," explains Managing Director Robert de Monchy. "Sometimes we are too early, like with Japanese Whiskies. About five years ago the market was not ready for this yet, now this is one of the hottest categories."

The whisky category is big business for Monarq and the company is about to boost its offering with the introduction of Wolfburn Single Malt Whisky, which is brewed in Scotland's most northerly mainland distillery. Its existing brands are also building their presence; Monarq is working with US craft spirits group Samson & Surrey and recently listed some of their spirits, including whisky brands like Widow Jane and FEW, with DFS, Dufry and International Shoppes in the USA.

But de Monchy and his team are not sitting still, and they have turned their attention to the next exciting prospect for the market. The success of the Porn Star Martini in the UK is set to spread across the market and the Monarq team are already prepared. "We see this cocktail crossing the Atlantic any moment," de Monchy says. "And [we] carry in our portfolio its main ingredient, Passoa."

On top of that, de Monchy says the team is watching the growth of Mezcal, Provence Rosé and Tequila in the Americas, as well as a growing interest in Vermouth thanks to the popularity of Negronis. "Fortunately, we hold leading brands in all these categories," he adds.

Speaking of trends, "Gin and tonic is definitely still trending, while Pink Gin is the latest in gin. Whisk(e)y and Bourbon are strong.

"Beer remains strong and rum is gaining interest lately."

Monarq's beer portfolio already features such names as Heineken, Sol, Duvel and Brooklyn Lager and that offering will be boosted by the company's new deal to be regional distributor for the Asahi Group, with brands such as Peroni, Grolsch and Asahi.

Recent investments by Monarq are

Monarq has recently signed a deal with the Asahi group to distribute its brands, including Peroni, in domestic and duty free markets



already paying off. At this year's Summit of the Americas show, the company launched Bravazzi Italian Hard Soda, to tap into the emerging hard soda trend in the US. "Hard sodas and canned wines are new trends that are to stay," de Monchy enthuses.

Monarq is also turning its attention to its impact outside the drinks world by becoming a certified carbon neutral company. "Climate change is particularly worrying," de Monchy says.

But whether it is spotting new trends, going green, or developing current successes, de Monchy is clear on one thing: "Change is the only constant. It is of utmost importance to constantly think ahead and act upon an ever-changing environment. This is natural for us, it's in our DNA. ☐



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